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C O N F I D E N T I A L SECTION 01 OF 02 BUCHAREST 000797

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STATE FOR EUR/NCE

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TAGS: PGOV PREL RO

SUBJECT: "I NEED A SILVER BULLET": AMBASSADOR'S MEETING

WITH PSD LEADER MIRCEA GEOANA

REF: EMBASSY-EUR/NCE E-MAIL

Classified By: Ambassador Nicholas Taubman for 1.4 (b) and (d).

- (C) Summary: PSD head Geoana told the Ambassador that he wanted to encourage Romanian politicians to bring their infighting under control and to reach a "minimum common understanding" on a common agenda in order to ensure the success of the 2008 Bucharest NATO Summit. Geoana acknowledged the PSD's fall from grace in the polls, but insisted that the PSD needed to "do something different" in order to attract voters, including stressing bread-and-butter issues such as pensions, health care, and education reform. Geoana also acknowledged that after losing three times against Basescu, he could not afford another electoral failure. He said that he would no longer compete head-to-head against President Basescu, but would compete against Prime Minister Tariceanu, in order to underscore that he was "better Prime Ministerial material" with the "better he was "better Prime Ministerial material" with the "better team". Geoana also confirmed the PSD's tepid enthusiasm for uninominal electoral reform, noting that his party was likely to propose a version of uninominal reform different from the current draft law previously agreed to by the PSD, PD, and PNL. He also hinted at administering a "largish" political shock to the system after the EP elections this winter. End Summary.
- 12. (C) Ambassador (accompanied by Polcouns) met July 9 with opposition PSD President Mircea Geoana, at Geoana's request. Geoana prefaced the meeting by providing details of his upcoming visit to the United States (ref), and by reiterating his desire for meetings with Senior Department Principals and key legislators on the Hill. Referring to the upcoming 2008 NATO Summit, Geoana said that his goal in coming weeks was to create a "minimum common understanding" within the government and with Romanian legislators and NGOs about summit goals and themes. While he was not expecting "miracles", Romanian politicians needed to bring their infighting under control and to approach their role as summit hosts with a common national agenda in order to maximize the impact of the event. While acknowledging that Foreign Ministry principals (including NATO Ambassador Ducaro and Under Secretary Micula) seemed to have the summit arrangements well in hand, Geoana said that he could contribute by adding an "extra layer" to the summit preparations.
- 13. (C) Ambassador turned the topic to domestic politics, noting that the last International Republican Institute (IRI) poll had recently come out. Geoana bemoaned the June 30 closure of the Bucharest IRI office, noting that a source of neutral, reliable political polling data was still important for Romania. Geoana urged the Ambassador to look for ways to continue IRI's activities in Romania, perhaps by continuing their polling and party development activities on a regional basis. Geoana said that the IRI polls underscored that the PSD's voter support had bottomed out at around 19-20 percent

of the electorate, which was perhaps the "hard core" of PSD supporters.

- ¶4. (C) Geoana acknowledged that the PSD's fall from grace in the polls reflected lingering voter concerns about the corrupt image of the last PSD government, but he also argued that the polling data provided evidence that the PSD needed to "do something different" and to send a "powerful message" in order to attract voters. He said that the PSD's recent push to increase public pensions was one step in that direction and that he would make an assessment in the fall as to whether the party's new focus on bread-and-butter issues was paying off. Other aspects of the PSD platform would focus on increasing the paychecks of average Romanians, improving education and health care, and increasing Romania's ability to absorb EU funding. The party would promote the emergence of fresh, new faces in the European Parliament (EP) candidate list, in order to create the image of a rejuvenated PSD. Geoana complained, however, that President Basescu was shamelessly "stealing our ideas" on education and health reform.
- 15. (C) Geoana said that he would be happy if the PSD obtained around 25 percent of the vote in the upcoming European Parliamentary elections. While likening the EP contest to an important "midterm" test, Geoana admitted candidly that if the results of the election were not good, he would be forced to argue just the opposite: that the Euro Parliamentary race did not really matter. He said the PSD was putting an enormous amount of energy and resources into the contest, as it would be "good for the morale" of the PSD rank and file to gain back a winning position. Geoana also remarked that—after losing three times in a row against Basescu—he could not afford to lose another election.

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- 16. (C) Interestingly, Geoana also acknowledged that he needed to do a "better job" of positioning himself with the public. He said that his strategy in coming months was not to compete head-to-head with President Basescu, but to compete with Prime Minister Tariceanu and the PNL, and to show that he was "better Prime Ministerial material" with a "better team" behind him. Geoana also hinted obliquely that he planned to administer a "largish political shock" either in his own party or in the larger political scene. He also remarked that "I need a silver bullet." (note: when reminded that the recent IRI polls and other surveys suggested that the electorate was tired of political shocks, Geoana responded that he would not launch any precipate moves until after the European Parliamentary election, and only if the political scene was "at an impasse.")
- 17. (C) Asked about rumors that the PSD was backing away from its promise to support uninominal election reform, Geoana responded candidly that the PSD was split between old timers who were uneasy about changing the current system and younger leaders who were urging faster reforms. The upshot, he said, was that the PSD would not reject uninominal electoral reform outright—for fear that Basescu would use the issue against them—but would likely embrace a version of electoral reform different from the current draft law, and "closer in spirit" to the German system, with half of the seats elected directly, but with the rest being elected from a party list "with a local dimension". Geoana said that it while some sort of uninominal reform law was likely to be passed by parliament in the fall, implementation would take "at least six months" or longer.
- 18. (C) Comment: This was a marked contrast to the ebullient Geoana that we met during the heady days of Basescu's suspension earlier this spring. Geoana and the PSD have been clearly chastened by the failure of their strategy of suspending and removing the President and by their inability to raise their poll standings above the 20 percent mark. This is evidenced in the PSD's new back-to-basics focus on

bread-and-butter and governance issues including pension, health, and educational reform, as well as in Geoana's remark that he was not going to compete head-to-head with the popular Basescu. Some signs of the old Geoana were evident, however, in his comment about administering a "largish" political shock to the system, and also in his subsequent musings about needing a "silver bullet" in order to change the current political dynamic. End Comment.